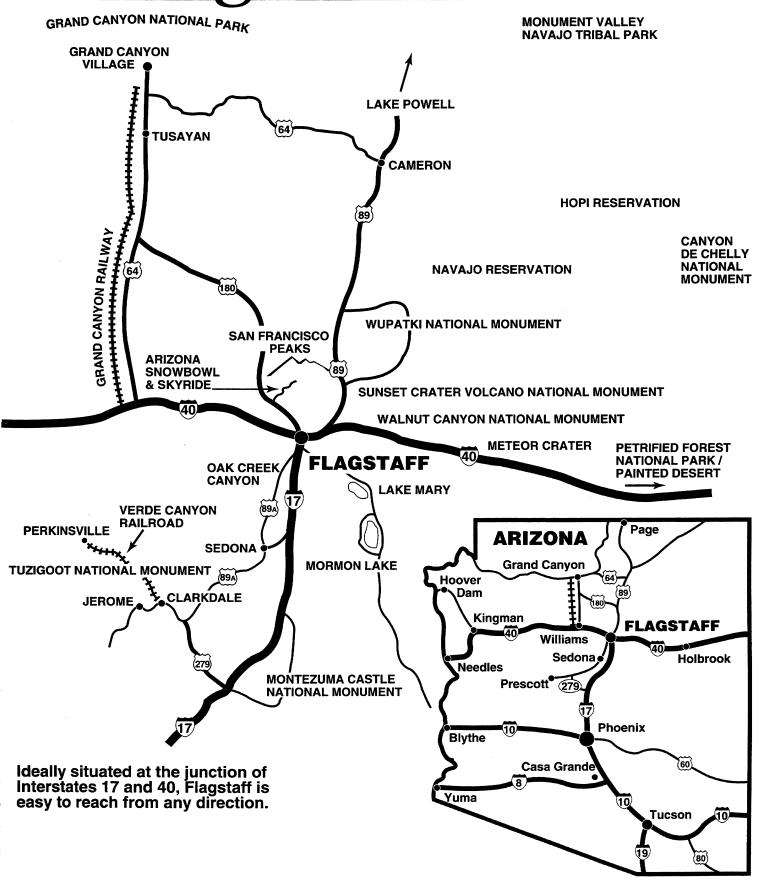
Flagstaff Arizona



Flagstaff Community Profile

Flagstaff, Arizona is located at the intersection of Interstate 17 and Interstate 40, and is the largest city in Northern Arizona. The city is also the regional center and county seat for Coconino County, the second largest county in the 48 contiguous states. The City of Flagstaff, becoming a town in 1894, incorporated as a city in 1928, and currently comprising of just over 64 square miles, is nestled at the base of the San Francisco Peaks and surrounded by one of the largest pine forests on earth. Flagstaff drew its name from a very tall pine tree made into a flagpole in 1876 to celebrate our nation's centennial. At nearly 7,000 feet, Flagstaff is also one of the highest elevation cities in the United States. The city is a year-round mecca for visitors and many Arizonans maintain second homes here.

History

In 1855 Lieutenant Beale, in surveying a road from the Rio Grande in New Mexico to Fort Tejon in California, passed over the spot where Flagstaff now stands. While camping at the Eastern extremity of the present town, the lieutenant had his men cut the limbs from a straight pine tree in order to fly the United States flag.

The town's first recognized permanent settler, Thomas F. McMillan, arrived in 1876 and built a cabin at the base of Mars Hill. During the 1880's Flagstaff began to grow, opening its first post office and welcoming the booming railroad industry. The town had timber, sheep and cattle and by 1886 Flagstaff was the biggest city on the main line between Albuquerque and the West Coast.

In 1894, Dr. Percival Lowell chose Flagstaff, due to its great visibility, as the site for the now famous Lowell Observatory. Thirty-six years later, Pluto was discovered through the observatory's telescopes. The Arizona Teacher's College began in 1899, later becoming Northern Arizona University (1966). During the 1920's, Route 66 was built right through town making Flagstaff a popular tourist stop. Flagstaff was incorporated as a city in 1928.

Today, Flagstaff is a community rich with cultural diversity, beauty and history, as well as amazing educational, recreational and scientific opportunities.

Weather

Flagstaff enjoys four distinct seasons. Moderate summer temperatures average twenty degrees less than Phoenix, and are punctuated with afternoon rain showers in July and August. The winter brings an average annual snowfall of 97.9 inches, much to the enjoyment of skiers, ice skaters and snowboarders. As the snow thaws into spring, blooming wildflowers are abundant and fragrant along Flagstaff's many hiking trails. Autumn is highlighted with the changing of the aspen leaves that transform the surrounding mountains into a golden tapestry of color. Flagstaff averages 282 days without precipitation each year, so it is not

surprising that our residents love the great outdoors, and the mild climate encourages year-round outdoor activities.

Climate			
	Average Temperature		Average
Month	Daily Max.	Daily Min.	Precipitation
January	42.6	15.9	2.01
February	45.2	18.2	2.05
March	49.8	21.9	2.19
April	58.1	27.2	1.28
May	67.8	33.9	0.67
June	78.1	41.2	0.49
July	81.9	50.4	2.52
August	79.0	49.1	2.88
September	73.8	41.3	1.93
October	63.5	31.0	1.62
November	51.1	22.1	1.70
December	43.8	16.4	1.91
Year (average)	61.2	30.7	21.24

|Source: Western Regional Climate Center (Jan. 1950-April. 2007)

Economic Information

Flagstaff is a governmental, educational, transportation, cultural and commercial center. Government is one of the largest employment sectors. Tourism is also a large employer as the city sees over 5,000,000 visitors a year. In addition, the City houses Northern Arizona University and other scientific and high tech research and development industries.

NAU, the largest employer in the City, has a major economic impact annually. The campus is used year-round and hosts many professional athletes, e.g., Arizona Cardinals and Phoenix Suns, and Olympic athletes that choose Flagstaff as training site because of the climate, altitude, and available facilities. The University, in partnership with the City of Flagstaff and the State of Arizona, has institutionalized this with the development of the High Altitude Sports Training Center. The Center invites athletes worldwide to train at our 7,000 feet elevation, which has proven to offer a competitive advantage. The Center offers facilities, health assessments, and other services to these international athletes.

Population	1990	2000	2007	
Flagstaff	45,857	52,894	64,200	
Coconino County	96,591	116,320	134,898	
Arizona	3,665,228	5,130,632	6,338,755	
Sources: Arizona Department of Economic Security and U.S. Census Bureau				

Five business and industrial parks are situated with excellent access to the Interstates (I-40 and I-17). One additional site resides within 15 miles of the City limits. Major manufacturers include W.L. Gore & Associates (of Gortex renown), manufacturer of medical equipment; Nestle Purina Petcare Products, manufacturer of pet

food; SCA Tissue, manufacturer of tissue paper; and Joy Cone, manufacturer of ice cream cones.

Business Licenses	June 2008
Misc. Retail	2,215
Construction Contracting	2,115
Service Related (Business Licenses)	1,710
Rentals	1,100
Home Furnishings	549
BBB	414
Auto Sales, Parts, etc.	348
Advertising, Publishing, and Printing	153
Food Stores	155
Building Materials	170
Franchise Accounts	119
Clothing Stores	98
Drug and Liquor Stores	19
General Merchandising Stores	17
Total	9,182
Source: City of Flagstaff, Tax, Licensing, and Revel	nue Division

Total sales generated by Flagstaff businesses reached \$3.40 billion in FY 2008.

Tourism is a year-round industry attracting skiers in the winter, vacationers in the summer, and sightseers viewing the aspen turning gold in the fall. Non-city residents provided an estimated 50% of the sales tax revenue. The City has 414 licensed businesses generating BBB tax revenues (an additional 2% sales tax).

Major private employers in the Flagstaff area are Flagstaff Medical Center, W. L. Gore & Associates, Walgreens Distribution, Grand Canyon Railway, SCA Tissue, Joy Cone, and Nestle Purina. Major public employers in the Flagstaff area are Northern Arizona University, Flagstaff Unified School District, Coconino County, City of Flagstaff, Coconino Community College, and the U.S. Forest Service.

Labor Force Data	1990	2000	2007		
(Annual Average)					
Civilian Labor Force	26,111	34,589	34,941		
Unemployed	1,604	1,582	1,015		
Unemployment Rate	6.1%	4.6%	2.9%		
Source: Arizona Department of Economic Security					

Growth Indicators 1990 200		2000	2008		
Business Licenses	4,000 (est.)	5,440	8,972		
Retail Sales	631,835,742	1,238,195,104	1,894,126,077		
Primary Net					
Assessed Value	223,050,141	399,244,815	722,368,245		
Sources: AZ Department of Revenue; City of Flagstaff					

Education

Flagstaff Unified School District #1 has 9 elementary schools, 3 middle schools, 2 alternative schools, 4 magnet schools, and 3 high schools. In addition to the public school system, there are 9 charter schools and 4

private schools. These schools provide educational opportunities for children in kindergarten to high school. The schools specialize in everything from specific learning styles to programs focused on the Arts.

Coconino County Community College offers 35 associate degrees and 32 certificate programs, as well as continuing education courses and special programs for small businesses. In the fall of 2007, enrollment was 4,344 students (3,656 of which were enrolled at the two Flagstaff campus).

Flagstaff's commitment to education is enhanced by Northern Arizona University's contribution to the community. Established in 1899, NAU is one of Arizona's three state universities. In the fall of 2007, NAU offered 93 Bachelor, 46 Master, 8 Doctorate, and 1 Professional degrees along with 30 Undergraduate and 20 Graduate certificates. Top enrollment for its 21,352 students (13,989 of which were enrolled at the Flagstaff campus) are Elementary Education, Hotel & Restaurant Management, Business/Management, Biology, and Counseling-Human Relations.

<u>Cultural Opportunities and Scenic</u> Attractions

Flagstaff serves as the cultural hub of Northern Arizona. Because arts and cultural activities enhance the quality of life and have an economic impact, the City supports these endeavors. Funding support for these activities comes from the Bed, Board and Booze tax (Flagstaff Cultural Partners disburses these funds) and the General Fund. Throughout the year, there are art shows, festivals, live theater performances, and Native American arts and crafts exhibits to satisfy the most ardent enthusiast.

The Flagstaff Symphony Orchestra is a non-profit corporation dedicated to bringing world-class musical performances to their audiences, and to providing innovative programs in music education for youth across northern Arizona. The FSO conducts seven concerts from September through April form the core of the Symphony's season, with additional Young People's Concerts for children in the Flagstaff Unified School District, and a Lollipop concert in December for families with young children. Regular concerts are held in 1500-seat Ardrey Auditorium on the campus of Northern Arizona University.

Lowell Observatory was founded in 1894 by Boston mathematician Percival Lowell and is best known for the discovery of Pluto. Lowell Observatory is also where astronomer V.M. Slipher gathered the first evidence that the universe is expanding. The Observatory will soon be home to the Discovery Channel Telescope scheduled to open in 2007. Lowell also maintains a vigorous education and outreach program, headquartered in the Steele Visitor Center on Mars Hill. Each year, about 70,000 people visit the Observatory to learn about astronomy by participating in multimedia programs, private and school programs, special events, and other

educational activities. The Observatory offers dailyguided tours and evening programs.

The Museum of Northern Arizona offers permanent and changing exhibits in anthropology, biology, geology, and fine art of the Colorado Plateau. In addition, four festivals that attract national and international visitors, include the annual Zuni, Hopi, Navajo, and Hispanic Exhibitions with contemporary and traditional pottery, weaving, jewelry, and sand paintings, as well as native artist demonstrations and traditional dance.

The Coconino Center for the Arts, operated by the Flagstaff Cultural Partners, serves as the cultural center of the Flagstaff community. The 4000 square foot gallery features diverse rotating exhibitions showcasing local and regional artists, craftspeople, and Flagstaff students. Contemporary fine crafts, western art, and special science programs are also held throughout the year. The intimate 200-seat theater offers musical concerts, readings, theater performances, and other presentations.

The Pine Mountain Amphitheater at Fort Tuthill County Park features outdoor concerts and dance performances from May through September. The events feature local and regional artists, as well as nationally and internationally acclaimed artists.

Known as the "City of Seven Wonders," Flagstaff attracts millions of tourists each year due to its easy access to such scenic destinations as the Grand Canyon, Sunset Crater, Oak Creek Canyon, Meteor Crater, Walnut Canyon, Wupatki National Monument, and the San Francisco Peaks.

Community Facilities

Flagstaff offers a wide range of community and cultural facilities, including:

City Recreational Facilities:		Other Facilities:	
Recreation Centers	3	Museums	5
Parks-Developed	27	Art Galleries	12
Parks-Undeveloped	4	Libraries	3
Tennis Courts	17	Swimming Pools	2
Racquetball Courts	4	Bowling Alleys	1
Ramadas	11	Symphony Orchestra	1
Softball/Baseball Fields	17	Ski Resort	1
Ice Rink/Activity Center	1	Movie Screens	12
Playgrounds	20	Fairgrounds/Race Track	1
Skate Tracks	2	Outdoor Amphitheater	1
Soccer Fields	4		
Disc Golf Course	2		
Basketball Courts	19		
Volleyball Courts	6		
Horseshoe Courts	12		
Off Leash Areas-Bark Parks	2		
BMX Facility	1		

Transportation

Flagstaff is a major crossroads for the west. Interstates 17 and 40 provide road access to major west coast markets, including San Francisco, Las Vegas, Albuquerque, El Paso, Los Angeles, San Diego, parts of Mexico, and of course, Phoenix and Tucson. US

Highway 89 provides access to the states north of Arizona and Highway 180 provides access to the Grand Canyon.

Approximate Drive Times from Flagstaff:				
Grand Canyon, AZ	2 Hours			
Lake Powell, AZ	3 Hours			
Nogales, AZ	4 1/2 Hours			
Phoenix, AZ	2 1/4 Hours			
Sedona, AZ	1 Hour			
Tucson, AZ	3 3/4 Hours			
Albuquerque, NM	4 1/2 Hours			
El Paso, TX	8 Hours			
Las Vegas, NV	4 1/4 Hours			
Los Angeles, CA	6 1/2 Hours			

Burlington Northern Santa Fe Railway serves the city of Flagstaff with more than 100 trains passing through town daily. Amtrak also services Flagstaff twice daily connecting with Los Angeles and Chicago. Bus services are available for within the city (Mountain Line), intra and interstate (Greyhound), and several tour guide companies provided service around Northern Arizona. In addition, there are several taxicab companies.

Flagstaff Pulliam Airport, located four miles south of downtown Flagstaff on I-17, provides frequent daily flights to and from Phoenix Sky Harbor International Airport, where national and international connections can be made.

Additionally, the City is committed to the development of a non-motorized urban trail (FUTS), which will interconnect all areas of the City when completed and will serve as an important transportation element, as well as a recreation amenity. The Flagstaff Regional Land Use and Transportation Plan shows an estimated 100 miles of FUTS. The City has completed approximately 42 miles to date.

Medical

Flagstaff has an extensive array of medical facilities and resources in the areas of traditional, integrative and alternative healthcare. Flagstaff Medical Center is the Northern Arizona Regional referral center for trauma, cancer, rehabilitation, cardiac care, high-risk maternal/fetal, MRI/CT scans, and more. More than 190 physicians are on active staff at the hospital, representing 33 medical specialties.

Recreation

The City is surrounded within and without by coniferous forests, which allow for an array of outdoor sports and camping and backpacking opportunities. Downhill skiers enjoy 32 runs down the San Francisco Peaks, just 14 miles from downtown Flagstaff. Groomed trails at the Flagstaff Nordic Center provide over 40 kilometers of cross-country skiing. Endless miles can be skied on the hundreds of miles of forest service roads. Flagstaff even sponsors the annual Winter Festival that includes dog sled races.

Hikers, joggers, and mountain bikers will find miles of trails, which range from gentle grades to extremely difficult terrain. The outdoor sportsman will find opportunities for hunting and fishing. The individual committed to an exercise routine, which includes running, or walking will find a 2-mile track complete with a 20-station Vita Course at Buffalo Park, a woodland area atop a mesa with spectacular views of the San Francisco Peaks.

For those who enjoy organized team sports, the City has adult and youth leagues for softball, baseball, basketball, soccer, ice hockey, and volleyball throughout the year. Additional recreation amenities include the skateboard park and disc golf course, which provide year-round recreational opportunities.

Sustainability and Environmental Focus

Flagstaff citizens realize that the quality of life enjoyed in this mountain community is intricately related to the balance of societal, environmental, and economic considerations. As a result, the City of Flagstaff has dedicated considerable resources to a variety of sustainability, environmental, and conservation efforts. The Sustainability and Environmental Management Division works to ensure that all residents of Flagstaff are provided with a clean, safe, and ecologically sound community. Programs promote sustainability and

conservation strategies with an emphasis on recycling, anti-litter, waste reduction, safe disposal of hazardous products, environmental compliance, composting, sustainable community planning, climate management, energy efficiency, renewable energy and fuels, brownfield land recycling, and landfill management.

Water conservation programs include a reclaimed water treatment plant and related distribution lines to transport water to large irrigation water users, rebates and incentives, development of xeriscape demonstration gardens, and a year round water use policy that restricts the times and days outside irrigation is allowed. Rebates are offered for qualifying high efficiency toilets, efficient washing machines, hot water re-circulators, and turf removal/xeriscape projects. The City also sells rain barrels to residents. Additionally, an annual AZ Project WET Water Festival occurs in October for all Flagstaff area 4th grade school children. Making the most efficient use of the water we have means we do not have to find additional sources of water as often.

City of Flagstaff, Arizona Principal Taxpayers Tax Year 2008

13,254,392 12,589,351 9,023,179 5,463,047	2.04% 1.93% 1.39%
9,023,179	1.39%
* *	
5 463 047	
3,703,077	0.84%
4,642,491	0.71%
4,460,032	0.69%
4,097,948	0.63%
3,844,773	0.59%
3,360,975	0.52%
2,940,469	0.45%
63,676,657	9.79%
	3,360,975 2,940,469

City of Flagstaff, Arizona Property Tax Rates Direct and Overlapping Governments Last Ten Fiscal Years

Fiscal Year	City	School District	Community College	County	State	Total
1999	1.7127	6.5477	0.3952	1.1094	_	9.7650
2000	1.7127	6.5585	0.5947	1.1444	-	10.0103
2001	1.7127	6.6885	0.5724	1.1336	-	10.1072
2002	1.7127	6.6741	0.5717	1.0951	-	10.0536
2003	1.7127	6.7590	0.5809	1.1941	-	10.2467
2004	1.7127	6.3679	0.5775	1.2369	-	9.8950
2005	1.7127	5.7236	0.5660	1.2212	-	9.2235
2006	1.6627	6.0786	0.5525	1.2010	-	9.4948
2007	1.5929	5.9009	0.5269	0.7521	-	8.7728
2008	1.5929	5.9009	0.5269	0.7521	-	8.7728
Note: Tax rate	es are per \$100 asse	essed valuation.				

City of Flagstaff, Arizona Sales Tax Rates Direct and Overlapping Governments Last Ten Fiscal Years

June 30	City Sales Tax	City Transportation Tax	City BBB Tax	County Sales Tax	State Sales Tax	Total
1999	1.0000	-	2.0000	0.8000	5.0000	8.8000
2000	1.0000	-	2.0000	0.8000	5.0000	8.8000
2001	1.0000	0.5100	2.0000	0.8000	5.6000	9.9100
2002	1.0000	0.5745	2.0000	0.8000	5.6000	9.9745
2003	1.0000	0.5745	2.0000	0.9250	5.6000	10.0995
2004	1.0000	0.6010	2.0000	0.9250	5.6000	10.1260
2005	1.0000	0.6010	2.0000	0.9250	5.6000	10.1260
2006	1.0000	0.6010	2.0000	0.9250	5.6000	10.1260
2007	1.0000	0.6010	2.0000	1.1250	5.6000	10.3260
2008	1.0000	0.6010	2.0000	1.1250	5.6000	10.3260

Date of Incorporation	
May 26, 1894	
Date Charter Adopted	
October 3, 1958	
Date of Latest Charter Amend	ment
June 29, 1998	
Form of Government	
Council, City Manager	
•	
Area - Square Miles	
June 2007 - 64.66	
Infrastruture	
Miles of Streets	227.49
Miles of Alleys	10.15
Miles of Sidewalks	165.84
Miles of Waterlines	385.67
Miles of Reclaim Waterlines	15.7315.7
Miles of Sewer	
Storm	44.17
Sanitary	265.00
Number of Street Lights	3,107
Number of Fire Hydrants	2,743
Number of Manholes	6,906
Trainibol of Marinolog	0,000
Employees as of June 30, 20	008
Merit System	617
Exempt	154
Temporary	247
Elected Officials	7
Total Payroll for the Year Ending 2008:	\$ 43,095,756
3	, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
Fire Protection	
Number of Stations	6
Number of Employees (FTE)	101.75
Police Protection	
Number of Employees (FTE)	181
Number of Calls for Service per	
Annual Report-12/31/07	56,866
Ave. Patrol Officers for 24 hour period	27.0
Vehicular Patrol Units	32
Coconino County Jail Prisoner Capacity	562
, , , , , ,	

Pulliam Airport

Fixed Base Operators Locally Based Aircraft

Enclosed Hangars

Open Hangars

Tiedowns

-	
Elections	
Last Municipal Election May 2008	
Number of Registered Voters	27,452
Number of Votes Cast	12,523
% of Registered Voters that Voted	45.62%
Last Special Election May 2005	
Number of Registered Voters	28,704
Number of Votes Cast	17,167
% of Registered Voters that Voted	59.81%

Parks and Recreation	
Number of Developed Parks	27
Number of Un-developed Parks	4
Park Acreage	704.54
Flagstaff Urban Trail System-Miles	33.82
Number of Other Facilities:	
Basketball Courts	19
BMX Facility	1
Disc Golf Course	2
Horseshoe Courts	12
Ice Rink/Activity Center	1
Off Leash Areas-Bark Parks	2
Playgrounds	20
Racquetball Courts	4
Ramadas	11
Recreation Centers	3
Skate Tracks	2
Soccer Fields	4
Softball/Baseball Fields	17
Swimming Pools (School Owned)	2
Tennis Courts	17
Volleyball Courts	6

Education	
Number of Schools:	
Public Elementary	9
Public Middle School	3
Public High School	3
Alternative Schools	2
Magnet Schools	4
Charter Schools	9
Private Schools	4
Community College (Coconino)	1
University (Northern Arizona)	1
Number of Students (Fall 2006):	
Flagstaff Unified School District	11,166
Charter	1,672
Private (Fall 2004)	534
Northern Arizona University	
Flagstaff Campus	13,989
All Locations	21,352
Coconino Community College	
Flagstaff Campuses (2)	3,656
All Locations	4,344

125

11

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City of Flagstaff, Arizona Miscellaneous Statistics

Sales Tax	
Retail Sales Last 10 Fiscal Years:	
2007	2,004,544,814
2006	1,894,126,077
2005	1,749,149,158
2004	1,593,931,781
2003	1,458,775,346
2002	1,404,232,492
2001	1,324,735,136
2000	1,238,195,104
1999	1,117,197,604
1998	1,065,133,746
Total Sales Tax Revenue for Fiscal Year 2007	
\$	15,367,821

Utility Enterprise					
Total Active Accounts on June 30, 2008	•				
Water	18,849				
Single Family Average	5,456				
Gallons/Household/Month					
Plants Capacity (Million Gallons per Day):					
Water Treatment Plant	8				
Reservoir Filtration Plant	2				
Wildcat Hill Plant	6				
Rio de Flag Reclaim Plant	4				
Number of Facilities:					
Wells	25				
Reservoirs	9				
Reclaimed Reservoirs	2				

Population	
Census Population Count-Last Five Censuses:	
2007**	64,200
2006**	62,030
2005**	61,185
2004**	61,270
2003**	61,030
2000	52,894
1995*	52,701
1990	45,854
1985*	38,247
1980	34,743
*Special Census	
**Estimate	

2000 Census Informa	ation:	
Age Distribution of Population		
for Urbanized Areas Only		
1-4 Years		3,546
5-17 Years		9,288
18-24 Years		11,487
25-44 Years		16,111
45-64 Years		8,309
65+ Years		4,153
		52,894
Number of Housing Units		21,396
Average Persons per Housing Unit		2.59
Average Family Size		3.13
Median Household Income	\$	37,146
Per Capita Income (2000)	\$	18,637

2000 Census information available at the following websites:

http://www.census.gov/census2000/states/az.html

http://www.de.state.az.us/links/economic/webpage/index.html

City of Flagstaff, Arizona Bonded Debt Interest/Coupon Rate by Issue and Year

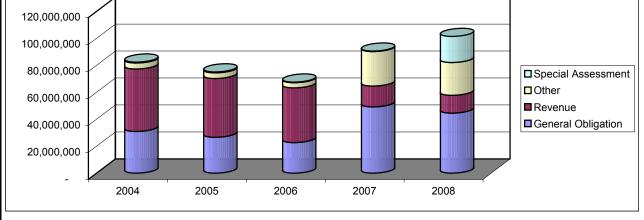
Fiscal Year	1992 Revenue Street and Highway	1997 G.O. Public Safety, Parks, Water	1999 Special Assessment Bow & Arrow	2001 G.O. Parks & Rec	2001 G.O. Water, Sewer Airport	
2009	7.750	_	4.900	4.500	5.000	
2010	5.900	_	4.900	4.500	-	
2011	5.900	_	4.000 -	4.500	-	
2012	5.500	_	_	4.500	-	
2013	-	4.500	_	4.650	-	
2014	-	-	-	4.750	-	
Fiscal	2001	2003	2003	2003	2006	2007
Year	Certificates of	G.O.	Revenue	Revenue	G.O.	Special
	Participation	Parks, Water	Street and	4th Street	Fire, FUTS,	Assessment
	<u>USGS</u>		Highway		Acquatic/Multi	Sawmill
2009	4.350	3.250	3.250	3.000	4.250	_
2010	4.550	3.250	5.250	3.250	4.125	5.000
2010	4.550	3.250	_	3.750	4.125	5.000
2011	4.600	3.250	_	4.000	5.000	5.000
2012	4.625	3.250		4.000	5.000	5.000
2014	4.750	5.250		4.000	5.250	5.000
2015	4.750	_	-	4.000	5.250	5.000
2016	4.750	_	-	5.000	5.250	5.000
2017	-	_	_	5.250	4.375	5.000
2018	_	_	_	5.250	4.500	5.000
2019	_	_	_	5.250	4.500	5.000
2020	-	_	-	5.250	4.125	5.000
2021	_	_	_	-	4.125	5.000
2022	-	_	_	_	4.000	5.000
2023	-	_	_	_	3.250	5.000
2024	-	-	-	-	-	5.000
2025	-	_	-	-	-	5.000
2026	-	-	-	-	-	5.000
2027	-	-	-	-	-	5.000
2028	-	-	-	-	-	5.000
2029	-	-	-	-	-	5.000
2030	-	-	-	-	-	5.000
2031	-	-	-	-	-	5.000
2032	-	-	-	-	-	5.000

City of Flagstaff, Arizona Percent of Net General Bonded Debt to Secondary Assessed Value and Net General Bonded Debt Per Capita Last Ten Fiscal Years

						Percent of Net Bonded		
		Secondary	Gross	Less	Net	Debt to	Net Bonded	
Fiscal		Assessed	Bonded	Current	Bonded	Assessed	Debt Per	
Year	Population (1)	Value (2)	Debt	Portion Debt		Value	Capita	
1998	58,145	340,743,258	49,470,273	4,170,000	45,300,273	13%	779.09	
1999	59,945	362,625,557	45,333,746	4,465,000	40,868,746	11%	681.77	
2000	52,894 **	385,566,202	40,904,461	4,405,000	36,499,461	9%	690.05	
2001	57,700	408,592,733	36,537,570	2,805,000	33,732,570	8%	584.62	
2002	59,160	429,030,400	36,873,231	2,888,505	33,984,726	8%	574.45	
2003	61,030	464,257,886	34,012,849	3,570,000	30,442,849	7%	498.82	
2004	61,270	501,655,440	30,967,902	3,920,000	27,047,902	5%	441.45	
2005	61,145	556,680,587	26,784,064	3,915,000	22,869,064	4%	374.01	
2006	62,030	624,199,899	49,169,726	4,629,726	44,540,000	7%	718.04	
2007	64,200	750,538,367	44,540,000	4,675,000	39,865,000	5%	620.95	

Arizona Department of Economic Security projected population increases except 2000, which are official census figures.

City of Flagstaff, Arizona **Total Bonds Payable Last Five Fiscal Years** 2004 2005 2006 2007 2008 General Obligation 44,540,000 30,937,849 26,580,000 22,665,000 49,169,726 Revenue 46,327,329 43,660,440 40,579,792 15,435,075 13,220,967 Other 4,445,000 4,180,000 3,905,000 25,610,000 24,315,000 Special Assessment 685,000 685,000 415,000 340,000 19,339,000 82,395,178 75,105,440 67,564,792 90,554,801 101,414,967 Total Bonds Payable 120,000,000 100,000,000

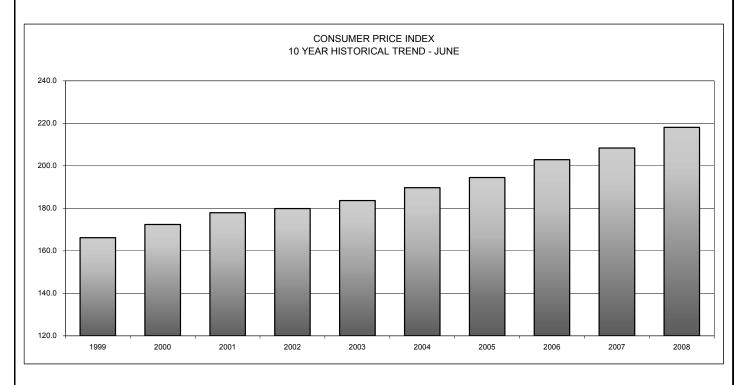


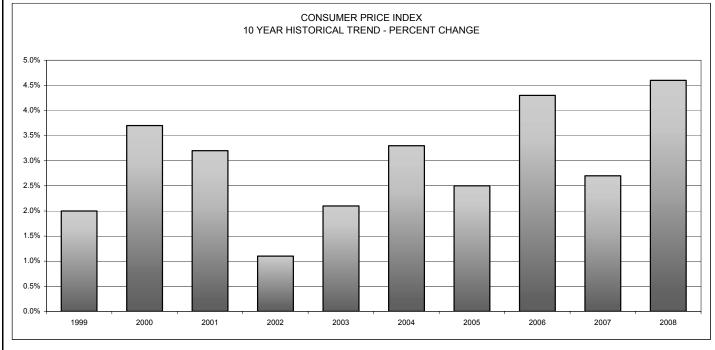
⁽²⁾ From County Assessors Office.

^{**} Census estimates exceeded actual 2000 census results. FY2000 adjusted to reflect population per U.S. Census official results

City of Flagstaff, Arizona United States Consumer Price Index 10-Year Historical Trend - June Versus June Non-Seasonally Adjusted

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
June	166.2	172.4	178.0	179.9	183.7	189.7	194.5	202.9	208.4	218.1
Percent Change	2.0%	3.7%	3.2%	1.1%	2.1%	3.3%	2.5%	4.3%	2.7%	4.6%





Source: Tax, Licensing, and Revenue Division